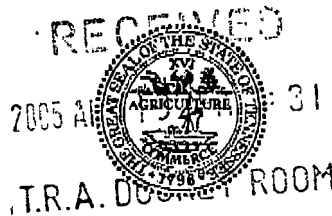


TENNESSEE REGULATORY AUTHORITY

Pat Miller, Chairman
Deborah Taylor Tate, Director
Sara Kyle, Director
Ron Jones, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

March 30, 2005

Morgan County Mayor
P. O. Box 387
Wartburg, TN 37887

Re: Docket No. 04-00434 – Wastewater Forum

Dear County Mayor:

The Tennessee Regulatory Authority is researching various issues relative to wastewater utilities and requests your assistance in completing our study. Please answer the following questions regarding any bonding requirements that your county imposes on wastewater companies operating (or planning to operate) within your county's geographical boundaries.

1. Does your county require any type of bond to be in place before a wastewater utility can construct or operate within your county? If so, what type of bond is required? *NO*
2. What is the amount of bond that a utility must post, before receiving approval to construct the system within your jurisdiction? *N/A*
3. What is the amount of bond that a utility must post, before receiving approval to operate the system within your jurisdiction? *N/A*
4. What is the required term of the bond(s)? *N/A*
5. If there is a bonding requirement in your county, are there any exemptions to that requirement? If so, please list or describe the exemptions permitted. *N/A*

Thank you for your time and attention regarding this matter. Please provide a written response by April 15, 2005. If you have any questions regarding this request, please contact Butch Phillips at 1-800-342-8359, ext. 183 for clarification before responding.

Sincerely,

Darlene Standley
Chief
Utilities Division